

INFORMATION BULLETIN

JOB TRAINING PARTNERSHIP ACT

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
JTPD PROGRAM OPERATORS
EDD JOB SERVICE OFFICE MANAGERS
JTPD STAFF

SUBJECT: JTPA CLOSEOUT WORKGROUP MEETING SUMMARY

This information bulletin transmits a summary of the March 3, 1999, Job Training Partnership Act (JTPA) Closeout Workgroup meeting.

If you have any questions or wish to submit comments or concerns regarding the JTPA closeout process, please contact Jean Cole of the Policy Unit at (916) 654-8284 or by e-mail at jcole@edd.ca.gov.

/S/ BILL BURKE
Assistant Deputy Director

Attachment

JTPA CLOSEOUT WORKGROUP MEETING MINUTES

March 3, 1999

The Job Training Partnership Act (JTPA) Closeout Workgroup held its second meeting on March 3, 1999. Representatives from the Department of Labor (DOL), the Employment Development Department (EDD), and the Service Delivery Areas (SDA) attended the meeting. The purpose of the meeting was: (1) to develop a list of action items for developing closeout training, (2) to identify potential issues that need to be addressed in state policy, and (3) to solicit input on issues to be raised to DOL.

The following is a summary of the issues discussed at the meeting:

Grant Closeout Procedures

The Job Training Partnership Division (JTPD) has procedures in place for routinely closing out JTPA grants at the end of their third year. The Financial Management Unit will compile this information and disseminate to the SDA community.

The workgroup recommended that the final SDA closeout package be inclusive. The package should include definitions by line item. It was also recommended that closeout training address issues related to subrecipients, including the reporting of expenditures. Additionally, the workgroup recommended the State provide information to SDAs regarding their Program Year (PY) 1999 contracts. The SDAs need to include provisions in their PY 1999 subrecipient contracts that address closeout issues.

Discussion ensued regarding the expenditure of funds after the closeout report. The JTPA final closeout report is due to DOL 180 days after June 30, 2000, or on December 31, 2000. JTPA funding, however, is available for closeout activities through June 30, 2001. The DOL representative in attendance suggested the State seek a waiver of the 180-day time limitation. If a waiver is granted, the State and SDAs will be allowed to pay expenses with JTPA funds through June 30, 2001. Without the waiver, SDAs will need to identify potential and known costs occurring after December 31, 2000, and set aside funds for paying expenses after this time.

The workgroup briefly discussed the definition of unpaid liabilities. The JTPD Policy Unit will need to provide guidance in this area.

Debt Collection

The workgroup discussed issues related to the resolution of findings and the collection of debts after December 31, 2000. Debts resulting from audits that are not collected within 90 days become a state liability.

Resolution activities for monitoring, audits, and grievances occurring after closeout are allowable expenses. The SDAs must set aside funds for these activities, and expend the funds by June 30, 2001. Activities after this date will have to be paid with local, non-federal funds.

The JTPD Policy Unit will provide information and guidance to SDAs on debt collection and the resultant liability issues.

Payment of Employee Benefits

The EDD Tax Branch representative provided information on Unemployment Insurance liabilities and the availability of benefits for employees of entities that are no longer in business. Written information will be provided to the Capacity Building Unit for the development of training.

The workgroup discussed the need for guidance in the areas of employee benefits, severance packages, and buy-outs. The Policy Unit will add these issues to the list of closeout areas requiring guidance.

Development of Training Issues

The workgroup discussed potential programmatic areas to be addressed in closeout training. Some of the areas include Management Information System forms and the closeout report package, cash drawdowns, payment of bills after closeout, audit resolution and disallowed costs, unemployment insurance, and the liquidation of program income. Members of the workgroup will be expected to identify issues or concerns for the subject areas. These will be incorporated into the closeout training by the Capacity Building Unit. More definitive information will be provided to the workgroup on what is expected and when it is due.

Conclusion

The workgroup discussed several issues and concerns that need clarification from DOL. Some of these include the following:

- Will the DOL National Office provide written confirmation to states that the PY 1999 allocation has a two-year life?
- Is the DOL National Office going to issue direction that PY 1999 funds (less the two percent deduction for the Workforce Investment Act [WIA] planning) may be used for JTPA administrative activities?
- Will the DOL National Office consider a waiver of the 180-day requirement for the State's final closeout report? If waivers will be considered, what criteria will be used to evaluate requests?
- Will the DOL National Office issue guidance concerning how a grantee establishes fair market value for property with a value over \$5,000?
- If final closeout documents are due to DOL by December 31, 2000, and PY 1999 funds may be expended until June 30, 2001, how can the State access these funds?
- Will the State have the option of transferring excess JTPA funds to WIA if the transfer occurs by June 30, 2001?

The workgroup scheduled their next meeting for March 25, 1999.